



WYOMING STOCK GROWERS ASSOCIATION

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August 5, 2022

Office of State Lands
Herschler building
Cheyenne, WY 82002

RE: Chapter 4 Draft Rules

Dear Office of State Lands:

The Wyoming Stock Growers Association appreciates this opportunity to provide comments on the revisions to Chapter 4. We support the proposed revisions based on legislation passed in 2022. However, we believe that the opening of Chapter 4 provides an opportunity to address other significant issues that have challenged both grazing and agricultural lessees and OSLI. WSGA previously informally submitted our recommendations to you on these matters of concern on April 27th, 2022. We now offer them as formal comments in the rulemaking process.

Section 5. APPLICATIONS

While the time frames for lease renewals are specified in statute, the notification process is not outlined. WSGA proposes the following amendment to Section 5 (c) (i) of Chapter 4:

(c) Filing Periods.

- (i) All applications to renew a lease of grazing and agricultural lands under outstanding leases must be filed in the Office not earlier than one hundred twenty (120) days prior to and not later than thirty (30) days prior to the expiration date of the existing lease. Any conflicting lease application to lease grazing and agricultural lands under any existing lease shall be filed in the Office not earlier than one hundred twenty (120) days prior to, and not later than ninety (90) days prior to the expiration date of the existing lease. Upon receipt of a conflicting lease application the Office shall notify the current lessee that a conflicting lease application has been received and shall provide the current lessee not less than 30 days to match the competitive bid. ~~not less than thirty (30) days from receipt of notice to file a lease renewal application.~~ If an expiration date falls on a Saturday, Sunday or legal holiday, applications shall be accepted on the following

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workday. At least 120 days prior to the expiration of a lease, the Office shall mail a lease application form to the lessee or his authorized agent at the address on file in the Office. If the Office has not received a renewal application 45 days prior to the expiration date of the existing lease, the office shall contact the current lessee by mail or email to remind them of the due date.

WSGA further maintains that it is in the interest of both current lessees and stability in the management of state trust lands that a grace period be established in those unusual cases where the current lessee failed to submit a renewal application with payment within the statutory time frame. This error by the lessee can occur because, under the lease renewal requirement, lessees are required to submit renewal applications up to two months prior to their accustomed time for making annual rental payments. WSGA believes that the discretion of the Board of Land Commissioners in granting the renewal of leases, as recognized by the Wyoming Supreme Court in several cases, "to recognize equities in those who have built up ranching business" support the inclusion of a grace period as follows:

- (ii) If a renewal application is received not more than 15 days following the expiration date and no conflicting applications have been received, the Office shall process the application and submit it to the Board with a Director's recommendation that it be approved.

Should the board be concerned that this change would not be consistent with their authority, WSGA will be pleased to work with OS LI to propose this as a statutory amendment.

SECTION 10. SUBLEASES AND OTHER CONTRACTS

W.S. 36-5-105 (d) provides in part "If the lessee of state lands shall assign, sublease or contract all or any part of the lease area," this action must be approved by the Director. WSGA maintains that the current language in Section 10 (a)"if the lessee subleases the leased premises or enters into any contractor agreement or any kind concerning the leased premises" broadens the statutory language.

So long as the lessee of the state lands for grazing is the responsible party for the use of the leased lands, the ownership of the livestock should not be a factor under the legislative language. Under the current realities of the ranching industry, it is common practice to graze animals not owned by the ranch this would include summer pasturing of yearlings as well as temporary supplementation of the herd with non-owned livestock follow a period of herd reduction due to drought. WSGA urges the insertion of a new subsection (b) into Section 10 as follows:

- (b) The grazing of livestock that are not owned by the lessee shall not be deemed to be a sublease, contract or agreement concerning the leased premises as defined in subsection (a) so long as the lessee retains full

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management authority and responsibility the livestock while they are on the leased parcel.

WSGA is confident that the changes that we have proposed will contribute significantly to facilitating the process of leasing state lands for agricultural and grazing purposes, to the benefit of both the lessee and the OSLI.

Thank you for your careful consideration of our recommendations.

Sincerely,

A handwritten signature in black ink that reads "Jim Magagna". The signature is written in a cursive, flowing style.

Jim Magagna
Executive Vice President

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